

.FBI raids major Ohio computer bulletin board; action follows joint investigation with SPA

The Federation Bureau of Investigation on Saturday, Jan. 30, 1993, raided "Rusty & Edie's," a computer bulletin board located in Boardman, Ohio, which has allegedly been illegally distributing copyrighted software programs. Seized in the raid on the Rusty & Edie's bulletin board were computers, hard disk drives and telecommunications equipment, as well as financial and subscriber records. For the past several months, the Software Publishers Association ("SPA") has been working with the FBI in investigating the Rusty & Edie's bulletin board, and as part of that investigation has downloaded numerous copyrighted business and entertainment programs from the board.

The SPA investigation was initiated following the receipt of complaints from a number of SPA members that their software was being illegally distributed on the Rusty & Edie's BBS. The Rusty & Edie's bulletin board was one of the largest private bulletin boards in the country. It had 124 nodes available to callers and over 14,000 subscribers throughout the United States and several foreign countries. To date, the board has logged in excess of 3.4 million phone calls, with new calls coming in at the rate of over 4,000 per day. It was established in 1987 and had expanded to include over 19 gigabytes of storage housing over 100,000 files available to subscribers for downloading. It had paid subscribers throughout the United States and several foreign countries, including Canada, Luxembourg, France, Germany, Finland, the Netherlands, Spain, Sweden and the United Kingdom.

A computer bulletin board allows personal computer users to access a host computer by a modem-equipped telephone to exchange information, including messages, files, and computer programs. The systems operator (Sysop) is generally responsible for the operation of the bulletin board and determines who is allowed to access the bulletin board and under what conditions. For a fee of \$89.00 per year, subscribers to the Rusty & Edie's bulletin board were given access to the board's contents including many popular copyrighted business and entertainment packages. Subscribers could "download" or receive these files for use on their own computers without having to pay the copyrighted owner anything for them.

"The SPA applauds the FBI's action today," said Ilene Rosenthal, general counsel for the SPA. "This shows that the FBI recognizes the harm that theft of intellectual property causes to one of the U.S.'s most vibrant industries. It clearly demonstrates a trend that the government understands the seriousness of software piracy." The SPA is actively working with the FBI in the investigation of computer bulletin boards, and similar raids on other boards are expected shortly. Whether it's copied from a program purchased at a neighborhood computer store or downloaded from a bulletin board thousands of miles away, pirated software adds to the cost of computing. According to the SPA, in 1991, the software industry lost \$1.2 billion in the U.S. alone. Losses internationally are several billion dollars more.

"Many people may not realize that software pirates cause prices to be higher, in part, to make up for publisher losses from piracy," says Ken Wasch, executive director of the SPA. In addition, they ruin the reputation of the hundreds of legitimate bulletin boards that serve an important function for computer users." The Software Publishers Association is the principal trade association of the personal computer software industry. It's over 1,000 members represent the leading publishers in the business, consumer and education software markets. The SPA has offices in Washington DC, and Paris, France.

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